

PX 397

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1 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
2
3 In the Matter of:)
4) File No. NY-09875-A
5 RIPPLE LABS, INC.)
6
7 SUBJECT: RPLI_SEC 1100522_HIGHLY CONFIDENTIAL
8 PAGES: 1 through 25
9

AUDIO TRANSCRIPTION

24 Diversified Reporting Services, Inc.
25 (202) 467-9200

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1 PROCEEDINGS
2 RPLI_SEC 1100522_HIGHLY CONFIDENTIAL
3 BRAD: Hi, everybody. Happy Monday. Hope
4 everybody is well. I haven't seen you in a while. I was
5 traveling around. I'm going to cover that in a minute.
6 Been an exciting time. Everybody looks -- I'm still like
7 this, tie -- suit and tie up here, and it's impressive.
8 You look good.
9 MALE VOICE: New dress code.
10 BRAD: New dress code. Yeah. It's not even
11 Tuesday. [REDACTED] likes Tuesday tie. It is good to be
12 back. It's good to see everybody. I hope -- I know some
13 people were on vacation last week. I hope a good break
14 for those of you that were away, recharged. There's lots
15 going on.
16 Today -- well, actually, the next slide is an
17 agenda slide. We're going to start to talk about the --
18 just normal stuff on new people joining high priority
19 jobs. I've got a few updates since I spent a lot of
20 time -- I was in Europe. I've been meeting with a bunch
21 of customers. And then I was gone for the town hall
22 section last -- two weeks ago. And so I'm going to go
23 through some of the town hall questions that were kind of
24 directed towards me specifically or just macro (audio
25 drop) I'm going to go with this one. Hi. See, this just

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1 prevents anybody from asking questions later. See? Come
2 ask a question to the microphone. Good luck with that.
3 Okay. We have three new Riplers here. I will
4 start -- yay.
5 (Applause.)
6 Where is [REDACTED]? [REDACTED] is here somewhere. [REDACTED]
7 welcome, come on up.
8 (Applause.)
9 Welcome. Nice to see you. So it obviously
10 says [REDACTED] based in Singapore, reporting into [REDACTED] I
11 believe. [REDACTED] is based out of London. If we will
12 start -- I'm sure you've been warned, but you can use
13 this not working microphone that looks like it might be
14 working now, and tell use one non-Google-able fact about
15 you.
16 [REDACTED] Right. So I've been thinking very hard
17 about it, and I said I will try and keep it simple. You
18 read my introductory note. Been doing yoga, cycling, and
19 all that. I can do a headstand on yoga, which is
20 basically standing upside down without support.
21 (Laughter.)
22 You need to pay \$100 for the viewing, so. Or a
23 hundred XRB.
24 BRAD: All right. Well, we'll find another
25 time to witness that. But that is a good non-Google-able

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1 fact, and you're going to have to demonstrate it at some
2 point. We won't make you do it today.
3 [REDACTED] (Inaudible.)
4 BRAD: All right. Thank you, [REDACTED] Welcome.
5 (Applause.)
6 And [REDACTED] (phonetic). I think I'm
7 pronouncing that right. Where is [REDACTED]? Also back
8 here. Welcome to the team. First of all, you have to
9 tell me, am I pronouncing your name correctly. [REDACTED]
10 All right. [REDACTED] very nice to meet you. Welcome to
11 the team. [REDACTED] going to be based in Mumbai, I
12 believe reporting into [REDACTED] correct, integration and
13 (inaudible) team. If you would also tell us one
14 non-Google-able fact about yourself.
15 [REDACTED] (Audio drop) so I'm very highly
16 talkative guy. When my mom used to go to school to
17 collect the report card, she always get a feedback.
18 Everything is fine, but he is highly talkative all the
19 time.
20 (Laughter.)
21 So I'm joining (inaudible). Very excited to be
22 a part of this journey. I'm going to play the role of a
23 integrator where I'm going to enable the banks in Asia to
24 become a part of Ripple Technology. And you know,
25 innovate with us and make their cross-border payment

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1 faster. So I'm going to make a new friend. I'm going to
2 connect with everyone, do well in my job. Thank you,
3 everyone.

4 (Applause.)

5 BRAD: Welcome. Last, but not least, [REDACTED] had
6 a big hiring week. Also joining [REDACTED] team out of
7 London is [REDACTED] -- well, [REDACTED] on his way
8 up. I'll also confess something. Sometimes when new
9 hires join, I'll send them an email welcoming them and I
10 went and I forward the email and I type in [REDACTED]
11 About five minutes later, I get an email back from a guy
12 I met like, ten years ago named [REDACTED] saying this is
13 not the same [REDACTED] Anyway, I'll give you the mic,
14 but if you tell us where you're joining us from a
15 non-Google-able fact.

16 MR. [REDACTED] And so I'll be based in New York.
17 I'm coming from a company called PayNearMe, payments,
18 cash payments company, and a non-Google-able, (inaudible)
19 SF, I do the Alcatraz swim every year. That's one on the
20 ferry, you hop off and swim back and stuff. Without a
21 wetsuit, it's a little chilly sometimes.

22 BRAD: Awesome. Welcome. All right. As
23 always, next on the list, high priority jobs. We've got
24 a bunch of open recs. Things are going well on this
25 front. I'm going to first ask [REDACTED] or [REDACTED] to explain

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1 the chart on the right, which I didn't look at. [REDACTED]
2 come explain that to me because I didn't look at it.
3 Sorry.
4 [REDACTED] Yes, this chart on the right is showing
5 how our referrals have increased. So about a month or
6 two ago they were not really high, and we've been asking
7 you for these every single week, both here and in email,
8 and I will tell you it's dramatically increased. So
9 really, just thank you for sending in more referrals, and
10 you're going to help us win.

11 BRAD: Awesome. Thank you. So I will continue
12 to point out it's free money, \$10,000 for those top two,
13 \$5,000 real money. Who's the person who's gotten the
14 most in payouts and referrals? (Inaudible.) It used to
15 be [REDACTED] I thought. Who is it? [REDACTED] (phonetic).
16 No shit. That's good stuff. Oh, God, I forgot a book I
17 was going to show you guys. All right, I'll come to that
18 later.

19 All right. So that's all on that front. Oh,
20 [REDACTED] was going to pimp out -- sorry, he was -- someone
21 told me earlier today pimping out is -- in the Me Too
22 movement, bad. Sorry. Sorry. I tried to defend it --
23 okay, I'm just going to move on. [REDACTED] There is a job
24 that you're going to talk about up here.
25 [REDACTED] I'll talk about the principal software

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1 engineer DB. It's a -- it's a very crucial role as we
2 are building out Ripple Net. This person will be owning
3 the entire data layer, which is basically building out
4 databases for Excurrent (phonetic), Exrapid (phonetic),
5 Exvia (phonetic), both (inaudible) hosted highly scalable
6 network. So it's a very critical role. We do support a
7 lot of different databases today with our customers.
8 We're looking to grow that. Highly scalable, lot of
9 latest (inaudible) concepts on cloud. So yeah, very
10 critical role. So that's why it's in the 10,000 bucket.
11 And I think [REDACTED] may continue that trend. She has sent
12 me another great referral. Looking forward to talk to
13 that.

14 BRAD: All right, good stuff. Thank you [REDACTED]
15 Okay. Next on the agenda, just -- I want to spend a
16 minute or two -- as you guys know, I've been out of the
17 office a fair -- well, you may not know. I've been out
18 of the office a fair bit. Two things I think are
19 notable. One is the reason why I missed the town hall is
20 I was presenting at the board of directors meeting for
21 [REDACTED] They were hosting an event down at the
22 Rosewood in Silicon Valley. And I tried, I think, to
23 dial in and give you guys this update, but a couple
24 things about that. One is we were invited to present to
25 the board of directors of [REDACTED] That's a pretty

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1 amazing factoid. You think about all the things going on
2 at the bank. I mean, this is, I think the second largest
3 bank in all of Europe. They have over a trillion dollars
4 in assets. They did five billion dollars of Euro profit
5 last year. That's a big deal. One of the things that
6 was amazing is I was also there with the CEO of Venmo.
7 And the CEO of Venmo, as we're chatting, the CEO of Venmo
8 says, "You know, I think the most interesting company
9 going on in FinTech right now is Ripple." Like, I'm --
10 I'm like, just standing over there thinking like, I
11 didn't pay him to say this. He was just -- he literally,
12 he started talking about, and he knew that [REDACTED] had
13 invested in Ripple, but it was just interesting to me to
14 see somebody else who has, you know, a major play in the
15 overall financial services payments space to be talking
16 about what Ripple is doing and how, kind of, profound the
17 work we're doing, has the potential to be to companies
18 like Venmo. They want to see us succeed. That's a great
19 place to be.

20 The second thing I thought I'd tell you a
21 little bit about, I was in Paris with [REDACTED] and
22 [REDACTED] (phonetic) and we met with a number of banks,
23 but -- well, the two highlights, we met with [REDACTED]
24 (phonetic) and I'm saying [REDACTED] because I can't
25 pronounce the French of societies. Somebody help me out.

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1 [REDACTED] -- somebody just got it. Say it louder [REDACTED]
 2 [REDACTED] or something like that. Yes. [REDACTED]
 3 (laughter)
 4 So [REDACTED] is, I think they're the sixth largest
 5 bank in Europe, you know, obviously also a very large
 6 bank. What was interesting to me about both the [REDACTED]
 7 [REDACTED] meeting and the [REDACTED] meeting is we had the --
 8 very, very senior people in the bank meeting with us,
 9 taking the time. And in both cases, you know, where a
 10 year ago I feel like we were pushing a boulder a little
 11 bit up a hill saying hey, here's all the interesting
 12 things we're doing, the conversation in my opinion
 13 changed to where we're pushing the boulder down the hill.
 14 They are very interested in working with us, and the
 15 conversation is much more about how do we get started,
 16 how do we engage in the lowest friction way to get things
 17 moving.
 18 The biggest challenge I think we have with a
 19 lot of these banks is they have a lot of other projects
 20 going on across the bank. They have a lot of, you know,
 21 they may spend billions of dollars a year on various IT
 22 infrastructure engineering work, but they've got a whole
 23 lot of other priorities, and where do we slot in relative
 24 to that. I will tell you, that's still a challenge for
 25 us, but the fact that we're having a conversation that

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1 isn't, oh, well, I don't see the value proposition, I
 2 don't see the use case, it's a much better position to,
 3 you know, be pushing that boulder down the hill where
 4 they want to engage, they're trying to find the right
 5 entry point. So anyway, both very good meetings as
 6 examples, just giving you guys kind of goodness from the
 7 road.
 8 By the way, I also will digress briefly. You
 9 know, at times, you know, would say, hey, are we putting
 10 on rose-colored glasses and we're not hearing the
 11 negative stuff. Look, to be clear, we have challenges
 12 across the business. It happens to be -- I think we've
 13 got really smart people and we're hiring more really
 14 smart people to come in and help us with those things.
 15 So I don't want you guys to think I come up here and I'm
 16 not paying attention to the challenges. From a
 17 deployment point of view, from, you know, Ripple Net,
 18 there's all kinds of stuff going on that continues to be
 19 challenging for us. We are in a really good spot. And I
 20 think the thing I want to emphasize time and time again
 21 is we need to take advantage of where we are right now,
 22 doubling down, pushing hard and taking advantage of the
 23 unique position we're in.
 24 All right. The last section is, and this is
 25 where I have to put my glasses on because I can't read,

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1 is a bunch of questions -- and by the way, this will be
 2 open Q&A also. Thank you (inaudible). That's a little
 3 prop for later. One second. I do plan ahead sometimes.
 4 So these are questions that came in to the town hall that
 5 were directed towards me. I'm going to read through
 6 them. If people do have other questions, well, I have
 7 the only microphone, but if I'm feeling nice, I'll give
 8 it to you.
 9 All right, first question. If our war chest
 10 goes away, parenthetically, XRP goes back down to
 11 pennies, does our short-term strategy change? The answer
 12 is no. You know, look, I believe, and I've sat up in
 13 front of you guys a bunch of times, I don't measure our
 14 success by three days, three weeks, three months. I
 15 measure it by, you know, three to five, three to ten
 16 years. I believe very much in the strategy we're
 17 executing. I think all signs are it's working. I think
 18 we still have a long way to go.
 19 Now, I think implicit in the question, if XRP
 20 goes down to pennies, is hey, do we have the financial
 21 resources in place such that we can persist. You know,
 22 Ron may yell at me for, you know, this is confidential
 23 information. You know, we have well over \$150 million in
 24 the bank right now. We have a lot of runway. Now, that
 25 doesn't mean hey, everybody can go take a vacation,

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1 everybody can take a break. On the contrary. It's -- we
 2 have this opportunity right now. We need to push very
 3 hard right now.
 4 Rest assured that as we think about making --
 5 de-risking the business, we are taking advantage of the
 6 unique situation we're in by making sure we have the
 7 resources to continue to execute if regulatorily things
 8 change, I think -- I personally think it's unlikely that
 9 the digital asset market's going to change dramatically
 10 this year, but I do think if that were to happen, it
 11 probably would be a regulatory thing. But nonetheless to
 12 kind of answer the question, our short-term strategy does
 13 not change, affects XRP changes and goes down by, you
 14 know, 90 percent, to the specific question they asked.
 15 All right. Next question. Can we get special
 16 access to buy XRP with a ten to 15 percent less than
 17 market value? I -- look, I think this is actually a
 18 fair, good question. I'll give you a little bit of
 19 context why I say that. Some companies, as public
 20 companies, have employee stock purchase plans that allow
 21 you to buy stock in the company at a discount. So we did
 22 look into this, actually long before this question came
 23 in, and the conclusion was that this is actually hard to
 24 do. The reason is that if we give a discount to buy XRP,
 25 that's actually taxable. You know, you would have to pay

1 taxes on that discount. We'd have to administer that.
 2 It would be a bunch of headaches, frankly, to make that
 3 work. Now, we are obviously, for those of you that
 4 started a few weeks ago, we just did give a unique bonus
 5 with XRP, which is awesome that we're able to do that.
 6 We want to continue to align everybody here with the
 7 future of the XRP ecosystem. The number one way to do
 8 that is through Ripple equity. We've talked about, a lot
 9 of new people have joined, but Ripple owns about 60
 10 percent of all XRP. If you own shares in Ripple, you own
 11 exposure to XRP. If you want to buy XRP above and beyond
 12 that, everyone can choose to do that or not to do that
 13 based upon your own risk tolerance and all those kind of
 14 things. But to answer this question specifically, we did
 15 look into this last year sometime. It became a tax
 16 challenge, tricky thing that the company would have to
 17 pay taxes on the discount value. You'd have to pay taxes
 18 on what you're receiving. It just got to be an
 19 administrative headache and we decided not to pursue it.

20 Next question. Thoughts on ways we are or
 21 should be preserving the goodness of our company culture
 22 and values during a high-growth period. I love this
 23 question. Look, I think if you look at Uber as an
 24 example, Uber went through this really high-growth period
 25 and their culture had, in my judgment, not started in a

1 good place. And so you saw that amplified as it grew.
 2 My hope is that we start with a pretty good place. I am
 3 excited by, you know, Lego as a framework for how we talk
 4 about the values of our company. I certainly, in various
 5 meetings, people will hear me say things about living it
 6 and going for it, and maybe enjoying it at times. That's
 7 a little bit of a joke. Brinley is not laughing.

8 But in all seriousness, I think, you know, by
 9 evidence that we do these Monday events, they tend to be
 10 pretty transparent. I think we've set a culture for the
 11 kind of company we are. I hope and expect that as we
 12 bring new people on, they see this culture, that when
 13 we're interviewing, we interview for that culture. And
 14 you know, that we continue to grow that culture. I don't
 15 think the culture of an organization is a static thing.
 16 I think it should -- you know, a living, breathing thing,
 17 and each person we join can come up here and do
 18 headstands in yoga to add to that culture. Now is a good
 19 time. Oh, [REDACTED] going to add to it.

20 [REDACTED] So the only other thing that I wanted
 21 to add to that, to add on to what Brad said is from a --
 22 the values are such an important part of our culture, and
 23 I've had the privilege to work at two high-growth
 24 companies and the values are that north star. Like Brad
 25 said, like, the culture will grow and evolve as the

1 company grows, but like, I think it is really important
 2 for us to continue to focus on like, going -- we're doing
 3 a couple things on the people team front to help
 4 reinforce that as we grow. So one is [REDACTED] and the
 5 recruiting team will be kicking off interview training
 6 soon. And a part of that will be, you know, how do we
 7 make sure that there is like, a values interviewer on
 8 that panel. And so we're very, very like, you know,
 9 focused on that. That's one thing.

10 The second thing that we'll be sharing with you
 11 hopefully really soon is we do the quarterly Lego awards.
 12 That's awesome. We want to also amplify that and give an
 13 opportunity to do peer to peer recognition on values. So
 14 make that more frequent. So be doing that as well.

15 So what we're doing on the people front is kind
 16 of thinking about where are all of the touchpoints in our
 17 experiences that we can continue to reinforce the values
 18 because they will be our north star as we grow and help
 19 us maintain that amazing culture. So it's (inaudible)
 20 for us. Any suggestions, anyone has, please send to me
 21 or anyone on the team and looking forward to growing
 22 together.

23 BRAD: Awesome. Thank you. The next question
 24 that was directed to me, is there a book that leadership
 25 relies on for guidance coaching they'd recommend for

1 employees to read in 2018? I'd like to share the gift I
 2 got this morning, by coincidence, from Chris Larson.
 3 Thank you, Chris. Swearing is Fucking Good for You.
 4 (Laughter.)

5 It doesn't say fucking, actually. It just says
 6 swearing is good for you. I apologize. [REDACTED] giving
 7 me dirty looks. It's a book about how swearing can be a
 8 (inaudible) -- okay, that is not a leadership book you
 9 should read. I am going to read it and provide Cliff
 10 Notes back to the group.

11 Look, I think it's a very good question, and I
 12 think -- I'll comment two things on this. One is I think
 13 coaching and continuing growth for everybody here is
 14 really, really, really important. Some of you know that
 15 I actually work with an executive coach who I think
 16 pushes me and in lots of ways, I think his -- I think
 17 helping me be a better manager and leader. There are a
 18 couple things that I will highlight that I sometimes send
 19 around to the leadership team as things to read and look
 20 at. I admit I'm not the best long form book, you know, I
 21 don't read lots and lots of books, and if I do, they tend
 22 to be Jason Bourne and things like that.

23 But there are a couple things I wanted to
 24 highlight that I -- I'll send an email to the whole
 25 company, here's a few things that I have sent around to

1 leadership team that I think are worth taking a look at.
 2 One is there's a really good TED Talk that I
 3 have sent around on various occasions. It's Simon Sinek,
 4 I think that's how you pronounce his last name, and it's
 5 called Start With Why. And it really is a great kind of,
 6 I think good leadership talk about, you know,
 7 understanding why people do things, what motivates
 8 people. It's, I think, 16 minutes that I think is well
 9 worth your time to watch.

10 A second one, and again, I'll send links to all
 11 these things around. A second one I'll highlight [REDACTED]
 12 [REDACTED] sent around to the group. Some of you
 13 guys know there's a gentleman named [REDACTED]
 14 who worked for me at Yahoo who went on to start Slack.
 15 He's a very colorful fellow and has written many colorful
 16 emails over the years. But he wrote one that ended up
 17 being published outside of Slack called We Don't Sell
 18 Saddles Here. And again, in terms of understanding and
 19 thinking about, you know, probably just motivationally
 20 but focus and I think in some ways a leadership way, it's
 21 worth a read.

22 The third one I'll highlight -- and actually,
 23 we did a mini class on this here at Ripple about a year
 24 ago is called Radical Candor. And the idea being, I
 25 think all of us, most of us like to be nice, and so

1 sometimes we, you know, we sugarcoat things, we package
 2 things up, and we try to be a little bit more gentle.
 3 And sometimes the most effective thing you can do in
 4 providing good feedback to your coworkers, to people who
 5 work for you is to be really direct and candid about hey,
 6 here's what's working and here's what's not. Sometimes
 7 it's -- you know, you may not want to hear it, but it's
 8 really valuable. So I'll send that one around as well.

9 You know, last but not least, I will highlight
 10 that this was a little bit controversial about two years
 11 ago here at Ripple, as we were working on the Lego
 12 framework for our values, I had highlighted the Netflix
 13 culture document called Freedom and Responsibility.
 14 Look, I will -- that created a little bit of a
 15 controversy internally because there's some controversial
 16 statements in that document. Look, I don't agree with
 17 everything in the Netflix Freedom and Responsibility
 18 document. It's really thought provoking. And I think
 19 part of being a good leader and part of being a good
 20 manager is challenging yourself to think a little bit
 21 outside the box and different ways to approach things.
 22 So I'll send a link to that around as well. That came
 23 out now, probably eight years ago, and I think they've
 24 even updated it since. But I'll send around a link to
 25 that. I personally thought it was very interesting and

1 thought provoking. Again, as I said, as you look at it,
 2 I don't agree with everything in it, but I think it's
 3 worth a read.
 4 All right. That was the next question. The
 5 last question that was submitted to me, and then again,
 6 we'll take open forum questions. All right. Can't see
 7 anything. It would be nice if we could promote
 8 non-Ripple use of XRP. For example, having a plug-in
 9 that will allow retailers to accept XRP as payment
 10 without having them to be coders. Or a number of
 11 examples, how XRP and/or the XRP ledger can be used to
 12 solve a variety of problems. Would we consider this?
 13 Yes, we would. Some of you, I guess about two weeks ago,
 14 I think I was up here. I talked about something called
 15 Project Lotus. Project Lotus, which may get renamed, is
 16 Patrick Griffin, [REDACTED] and [REDACTED] thank
 17 you, have been taken off their kind of former day-to-day
 18 jobs or they're migrating to be totally dedicated to
 19 something we've been calling Project Lotus. And the idea
 20 being to invest, incentivize, otherwise encourage people
 21 to use the XRP ledger for other use cases. The only
 22 example that we have publicly talked about so far is
 23 something called [REDACTED] I think we talked about [REDACTED]
 24 here, but it's, you know, a company trying to -- its
 25 vision is to create a marketplace around stored stuff.

1 You know, instead of just getting a storage closet, you'd
 2 store your stuff and it'd be itemized and you could --
 3 for five dollars, I could borrow [REDACTED] (phonetic) drill
 4 for the afternoon. And instead of doing that in dollar
 5 based, you could do it in a marketplace way of using XRP
 6 as a value transfer. So that's their vision. It's the
 7 only deal we've done so far around Project Lotus. But
 8 certainly there's other deals we are working on that I
 9 think are compelling for other XRP use cases.

10 All right. Those are the questions that were
 11 directed to me that were sent in. This is totally open.
 12 I will share the mic for anybody who has questions,
 13 thoughts on town hall stuff or anything going on you guys
 14 want to talk about. Definitely looks like the other
 15 microphone might work.

16 FEMALE VOICE: It works.

17 BRAD: Come on, who's got a question? You guys
 18 go easy on me. Yes, [REDACTED]

19 [REDACTED] On the topic of culture and scaling,
 20 I'm curious if there's any companies or cultures that
 21 Ripple looks to for inspiration that have been there,
 22 done that, that we can learn from and thoughts on that.

23 BRAD: I think it's a really good question, and
 24 actually, when I interview people, one of the things I
 25 often will ask people who've worked at, you know, a

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1 number of companies is hey, which company you were at
 2 that had the best culture and most interesting dynamic.
 3 Partly because I feel like there's -- I don't think our
 4 culture should be stagnant. I think we should learn from
 5 other companies. So I don't think I have great
 6 visibility into other companies out on the marketplace
 7 today because I haven't worked at those. For me, one of
 8 the cultures that to be a part of was a special place was
 9 the early days of Yahoo where I felt like there was a lot
 10 of tolerance for hey, let's take risk. This is back in,
 11 you know, a long time ago, not what Yahoo is today. But
 12 there is a -- I think up here I've said the word
 13 humblitude before. And I think there was some swagger
 14 and humblitude meaning, you know, I think there was a
 15 humbleness, but there was also some attitude about let's
 16 go out and do some really cool stuff. And I thought
 17 culturally, Yahoo at the time very much was embracing
 18 hey, let's go hire the best people, let's recognize the
 19 best people, and let's take some risk. You now, there
 20 are a bunch of examples like that that I just felt like
 21 those early days were really, really great. And I think
 22 it started from a good place.

23 Sadly, now I think most of the cultures that
 24 get called out are on the negative side in Silicon
 25 Valley. I picked on Uber earlier, but I think sadly, a

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1 bunch of examples that I think we don't want to emulate.
 2 And you know, look, you can learn from the good and the
 3 bad. I've worked for great managers, and I've worked for
 4 less good managers. And you know, you learn from both of
 5 them, and so I think the same thing is true of the
 6 cultures.

7 What's going on, [REDACTED] (phonetic)?

8 [REDACTED] My name is [REDACTED] Coming from Uber. But
 9 that's not --

10 BRAD: Sorry.

11 (Laughter.)

12 [REDACTED] -- part of the question. Just to
 13 challenge you on that last point, I was reading a blog
 14 article about -- by Paul Graham. He was saying Yahoo
 15 compared to Google got too much money too quickly, and
 16 was also like, pretty ambivalent towards being a tech
 17 company. Is there anything that you've learned from
 18 Yahoo that you're taking towards Ripple to make it
 19 better?

20 BRAD: It's a great question. So you know,
 21 look, like any company, Yahoo made many mistakes, and I'm
 22 not trying to say Yahoo's perfect. The evidence is loud
 23 and clear that Yahoo made lots of mistakes. For those of
 24 you that know me, one of the things that I said very
 25 publicly unfortunately at Yahoo was this idea of peanut

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1 butter, actually, for those of you who really want to be
 2 entertained, I'll add that to my links that I send
 3 around. It's worth a read because if you have not read
 4 it, you should know that the CEO of Ripple has a strong
 5 point of view that focus and clarity of what problem
 6 you're solving for whom is really, really, really
 7 important. I think Yahoo lost its way in understanding
 8 who their customer is, what they were trying to be and
 9 trying to be too many things to all people, and I use the
 10 metaphor of spreading yourself thin like spreading peanut
 11 butter around. I think the lesson I learned there that I
 12 certainly tried to apply here at Ripple is one of focus
 13 and having clarity of what problem we're trying to solve.
 14 Even Project Lotus, one of the things, when I introduced
 15 Project Lotus up here, I had said look, I don't -- I want
 16 to make sure Ripple, the company remains focused on a
 17 cross-border payments problem. There's a lot of other
 18 things with XRP ledger you could go do, but I don't want
 19 us to diffuse our focus. So certainly as I look forward,
 20 I want to continue to apply that as a really important
 21 lesson. When I first got here almost three years ago
 22 now, you know, there's some of the projects that we
 23 actually stopped pursuing because I felt like look,
 24 there's no way we can be successful in all these. Let's
 25 focus on one and you know, the company had already kind

Page 24

1 of started moving towards that. I was just like, look,
 2 controversial at the time, maybe some things that we put
 3 on the shelf.

4 All right. We're running a little bit long. I
 5 apologize. Thank you everybody. If you have other
 6 questions, please email me. I am going to send an
 7 all-company email out this afternoon -- feel free to
 8 reply to it -- with some of these links I talked about,
 9 and thank you. Have a great Monday.

10 (End of recording.)

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1 I, Desha DeVor, hereby certify that the foregoing
2 transcript is a complete, true and accurate transcription
3 of all matters contained on the recorded proceedings in
4 the matter of
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9 Transcriber

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